

Public Document Pack

Officer Decisions

Friday, 23rd August, 2024
10.00 am

AGENDA

- 1. Contract award for consultancy for development of strategic business cases to identify savings.**
Contract award for consultancy to development of strategic business to identify savings. **2 - 5**

Date Published: 23rd August 2024
Denise Park, Chief Executive

Agenda Item 1

RECORD OF DECISION TAKEN UNDER DELEGATED AUTHORITY FROM EXECUTIVE/COUNCIL/COMMITTEE

DELEGATED POWERS OUTLINED IN THE CONSTITUTION



DELEGATED OFFICER DECISION TAKEN BY:	Strategic Director of Finance and Resources
DELEGATED BY:	Council (date of delegation)
IN CONSULTATION WITH:	Choose an item.
PORTFOLIO AREA:	Resources

SUBJECT: Contract award for consultancy to development of strategic business to identify savings.

1. DECISION

To award the contract for the provision of strategic business cases to identify savings to Impower through the bloom consultancy framework.

2. REASON FOR DECISION

It was approved by the Executive board in June that as part of the process of identifying savings options to commission external advisors to support the development of strategic business cases. The Council requires support with the medium-term financial challenge, although the Council has a good track record of sound financial management. These problems (unsustainable pressure in complex demand-led services) have become existential issues for many authorities. They are too big to be dealt with by departments in isolation.

The Council engaged with Bloom procurement services through their Nepro3 framework. This is a modern solution for the procurement of professional services and is the only solution of its kind within the UK's public sector marketplace.

Impower submitted a response to a service specification through the framework which was evaluated as below;

	Score Available	Score Awarded
Quality	70	58.8
Price	30	30
Total	100	88.8

Impower are experts in transformation and possess the tools, skills, experience, and capacity for behaviour-led demand management and transformation. They have the largest dedicated local government consultancy team in the market.

They have worked with more than 140 councils, health bodies and other local organisations since 2000, and specialises in helping public bodies provide better outcomes with lower costs.

The Council is looking for savings that are not achieved only by budget cuts or efficiency gains, but rather as a direct result of achieving better outcomes. Examples include reduced demand for adult social care through increased independence, increased recycling rates, or innovating through commissioning approaches.

3. BACKGROUND

The Council required external support to help senior officers to challenge current thinking, raise the ambition levels for productivity improvement (better outcomes which cost less) over the next 3 years, and identify what will be required to deliver these benefits.

An initial piece of work is already underway with Council for the preparation and co-production of proposals and opportunities to achieve better service outcomes at less cost to the Council. This is being undertaken with a range of Council activities and supported by comprehensive insight and benchmarking which will result in a longlist of priorities for further work.

Following approval to this piece of work the Council will look to go ahead with further phases as outlined below.

Phase 2 – using the priorities for further work, this phase will work with those responsible for Service Delivery to develop a strategic outline, scope and plan for each opportunity. It will test the reasonable of each proposal and the scale of ambition the Council may have with each proposal.

Phase 3 – the development of between 6 and 10 robust strategic outline business cases that provide meaningful inputs to the Council's budget process. In essence, these business cases would set out a series of options that if implemented should result in the same of better service outcomes but at a lower cost to the Council.

Phase 4 – Engagement platform providing details of organisational fitness, readiness for change and ideas around opportunities as well as dashboards to identify factors that need to be put in place.

It is clear that the Council's budgetary position requires a more fundamental in-depth review of what the Council does and how it does it. This applies across the whole range of Council activities. Given existing demands on the Council, the capacity to do this is limited and so there was a need to commission 'expert' external support to provide this additional capacity. To that end, it is proposed to commission an external provider to support the Council with the development of strategic transformation proposals which, if implemented, will help achieve service outcomes but at a lower cost to the Council.

4. KEY ISSUES AND RISKS

Spending on big demand led services in local government continues to rise as a proportion of all spending putting pressure on budgets.

5. FINANCIAL IMPLICATIONS

A total of £350k was approved by the Executive board to fund this programme funded through the invest to save reserve.

The Council has already engaged with the supplier on an initial piece of work (Phase 1) for £42k which once approved will lead to additional phases.

Payments to the supplier will be based on key deliverable milestones for each phase of the project with stage gates after each phase as whether to proceed.

Phase 1 - £42,000

Phase 2 - £123,000

Phase 3 - £177,000

Phase 4 - £25,000

6. LEGAL IMPLICATIONS

The procurement process proposed used to tender this contract complied with the requirements of the Council's Contract and Procurement rules and the Public Contracts Regulations 2015.

7. RESOURCE IMPLICATIONS

There will be a requirement for various staff to be involved in this project which will be built into departmental work plans.

8. OPTIONS CONSIDERED AND REJECTED

None arising from the contents of this report.

9. CONSULTATIONS

Consultations will continue with departments and members throughout the engagement.

10. DECLARATION OF INTEREST

All Declarations of Interest of the officer with delegation and any Member who has been consulted, and note of any dispensation granted should be recorded below:

VERSION:	1
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CONTACT OFFICER:	Peter Hughes
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DATE:	19/08/2024
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BACKGROUND DOCUMENTS:	Executive Board Report – 13/06/2024 – Development of the general fund revenue budget 2025/26
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